



All Cars Owned, Used, or Leased

Year Ending December 31, 2012

MONTANA
RCC-2
Rev 11-12

Company Name

[illegible]

This form may be reproduced as necessary.

Fleet/Page Total				
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RCC-2 Instructions

For reporting purposes, you only need to report those cars for which your company is responsible for paying taxes. If full fleet data is reported and includes cars being used by, or leased to, other entities, and if these users / lessees are responsible for paying taxes, please be sure to clearly identify these cars as such on the RCC-2, to avoid confusion and double taxation issues.

Reporting Leased Cars:

If your report includes cars your company has leased from someone else, DO NOT use lease payment information on the RCC-2. The RCC-2 MUST show the Reporting Code, Year Acquired, Acquisition Cost, and any Betterment Costs. This information is obtainable from the Lessor. Lease payments include ancillary administrative costs and fees that are not subject to taxation under Montana statute, and therefore cannot be used for the purposes of valuation. Reports submitted using lease payment information in place of the required data will not be accepted, nor will they be considered timely if the required information is not reported prior to the April 15 deadline for Annual Reports.

Column Data:

Reporting Code: EFFECTIVE TAX YEAR 2013: Due to the upgrade to the department's computer system and software for railcar reporting, all previous reporting methods have been replaced, and will no longer be accepted for reporting purposes. This column will require the use of the Reporting Codes as can be found in the table: "Railroad Car Reporting Codes for Montana RCC-2 & RCC-3", included in this report. (For online forms in PDF Format, download the '**Railroad Car Reporting Codes (for use with RCC-2, and RCC-3)**' in the forms section.

The specific Reporting Code IS required. GENERAL DESCRIPTIONS ("Hopper", "Gondola", "Flat", "Fast Rate Cars", "Slow Rate Cars", etc.) WILL NO LONGER BE SUFFICIENT.

You will find the Montana reporting codes closely relate to the AAR Car Type Codes used to report to the railroads. The department's system uses the Reporting Codes to correctly compute allocation percentages for specific car types. Annual reports submitted without the Reporting Codes will be considered incomplete and will not be accepted as timely.

Car Mark: Please list the company car marks associated with each Reporting Code. Car Marks and Reporting Codes in the report will be used to validate reported mileage against the reports from the railroads.

(continued next page)

RCC-2 Instructions (continued)

Year Acquired: The year the cars were purchased by the reporting company. For cars acquired within 25 years of the year of the annual report, list each acquisition year on a separate line. For cars acquired more than 25 years prior to the year of the report, these may be grouped into a single line entry, within each Reporting Code.

The department uses the Year Acquired to compute depreciation. Using the Total Cost (Column G on the RCC-2), the department computes depreciation at 4% per year using a half-year convention, down to a minimum depreciated value of \$2,000 per car.

IMPORTANT: Do not compute or report depreciated or 'book values' on the RCC-2; report the original cost. The department's system will compute the depreciation which will be reflected upon the assessment sent out on or before August 15.

Number of cars: Total number of cars for that Reporting Code and year they were acquired.

Acquired cost and Betterments Costs: List the original acquired cost and the costs for all betterments for the cars. Do not use depreciated costs or book value, as the Department computes depreciation as part of the valuation process. The Betterment Cost cannot be a negative value. Do not deduct AAR mandated repairs or upgrades from the betterment costs. AAR-required maintenance or upgrades (such as those required for hauling Hazmat) do not increase or decrease the value of the car; they are company operational costs and should be reflected on the company's corporate tax return.

For cost figures in Canadian Dollars: Prior to entering the cost data into our system, the department will convert all costs reported in Canadian Dollars to U.S Dollars using historical exchange rates as of December 31 of the year in question (or the latest exchange rate report date closest to December 31). For example, for cars acquired in 1997, the conversion will be based upon the latest historical exchange rate on (or as close as possible to, but not later than) December 31, 1997.

Total Cost: The sum of the Acquired Costs and Betterment Costs for that line entry.

Fleet/Page Totals: The sum of all values for that column. If more than one sheet is used, page totals can be used, or left blank in favor of a final fleet total on the last page.

Example RCC-2

Montana Reporting Code	Car Mark	Year Acquired	Number of Cars	Acquired Cost	Betterment Costs	Total Cost E+F
<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>	<i>F</i>	<i>G</i>
F	AAAX	2004	144	\$12,240,000	\$16,887	\$12,256,887
P	AAAX	2004	58	\$3,625,000	\$0	\$3,625,000
C	AABX	2004	84	\$3,150,000	\$28,650	\$3,178,650
P	AACX, AABX	2003	148	\$4,092,200	\$85,500	\$4,177,700
H	AABX	2010	26	\$936,000	\$0	\$936,000
P	AACX, AABX	2011	310	\$8,835,000	\$25,000	\$8,860,000
T	AACX	2009	150	\$2,250,000	\$0	\$2,250,000
						\$0
						\$0
						\$0

Fleet/Page Total	920	\$35,128,200	\$156,037	\$35,284,237
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The cars can be reported in any order, or can be grouped by Reporting Code (and then by Year Aquired), or by Year Aquired (and then by Reporting Code). When complete, the RCC-2 should represent an inventory listing of the company's fleet as of December 31 of the year immediately preceeding the Report Year. For example, for a 2013 Annual Report, the RCC-2 will reflect the company's fleet as of December 31, 2012.

IMPORTANT: Even if they share the same default allocation rates, grouping of multiple types of cars within an Acquired Year will no longer be accepted. Cars must be broken out and reported by Reporting Code for input into the department's system.